

It is ordered that the matter be set down for hearing on July 25, 1936, at 10 o'clock in the forenoon of that day, at Room 1105, Securities and Exchange Building, 1778 Pennsylvania Avenue NW., Washington, D. C.; and

It is further ordered that Robert P. Reeder, an officer of the Commission, be and he hereby is designated to preside at such hearing, and authorized to adjourn said hearing from time to time, to administer oaths and affirmations, subpoena witnesses, compel their attendance, take evidence, and require the production of any books, papers, correspondence, memoranda, or other records deemed relevant or material to the inquiry, and to perform all other duties in connection therewith authorized by law; and

It is further ordered that any interested state, state commission, state securities commission, municipality, or other political subdivision of a state, or any representative of interested consumers or security holders, or any other person desiring to be admitted as a party in this proceeding or to offer evidence in this matter, shall give notice of such intention to the Commission, such notice to be received by the Commission not later than July 20, 1936.

Upon the completion of the taking of testimony in this matter, the officer conducting said hearing is directed to close the hearing and make his report to the Commission.

By the Commission:

[SEAL] FRANCIS P. BRASSOR, *Secretary*.

[F. R. Doc. 1303—Filed, July 16, 1936; 1:01 p. m.]

United States of America—Before the Securities and Exchange Commission

At a regular session of the Securities and Exchange Commission held at its office in the City of Washington, D. C., on the 16th day of July A. D. 1936.

[File No. 37-10]

IN THE MATTER OF THE DECLARATION OF JOHN E. BARBER, JOSEPH B. WILSON, EDWARD A. OLSEN, TRUSTEES.

NOTICE OF OPPORTUNITY FOR HEARING AND ORDER DESIGNATING TRIAL EXAMINER

A declaration having been duly filed with this Commission, by John E. Barber, Joseph B. Wilson, Edward A. Olsen, Trustees, a subsidiary company of The Middle West Corporation, a registered holding company pursuant to Section 13 (b) of the Public Utility Holding Company Act of 1935 and Rule 13-22, with respect to declarants' organization and conduct of business as a subsidiary service company.

It is ordered, that the matter be set down for hearing on July 25, 1936, at 10 o'clock in the forenoon of that day, at Room 1103, Securities and Exchange Building, 1778 Pennsylvania Avenue NW., Washington, D. C., and

It is further ordered, that Robert P. Reeder, an officer of the Commission, be and he hereby is designated to preside at such hearing, and authorized to adjourn said hearing from time to time, to administer oaths and affirmations, subpoena witnesses, compel their attendance, take evidence, and require the production of any books, papers, correspondence, memoranda, or other records deemed relevant or material to the inquiry, and to perform all other duties in connection therewith authorized by law; and

It is further ordered, that any interested state, state commission, state securities commission, municipality, or other political subdivision of a state, or any representative of interested consumers or security holders, or any other person desiring to be admitted as a party in this proceeding or to offer evidence in this matter, shall give notice of such intention to the Commission, such notice to be received by the Commission not later than July 20, 1936.

Upon the completion of the taking of testimony in this matter, the officer conducting said hearing is directed to close the hearing and make his report to the Commission.

By the Commission:

[SEAL] FRANCIS P. BRASSOR, *Secretary*.

[F. R. Doc. 1302—Filed, July 16, 1936; 1:01 p. m.]

Tuesday, July 21, 1936

No. 92

TREASURY DEPARTMENT.

Bureau of Customs.

[T. D. 48438]

CUSTOMS REGULATIONS—INVOICING SEEDS

TREASURY DECISION 47251, AMENDING ARTICLE 294 (B) (11) (A) OF THE CUSTOMS REGULATIONS OF 1931 BY RESTRICTING THE REQUIREMENT, OF CONSULAR INVOICES TO CERTAIN SEEDS, AMENDED

To Collectors of Customs and Others Concerned.

Pursuant to the provisions of Section 484 (b) of the Tariff Act of 1930, the instructions issued to collectors of customs in the penultimate paragraph of Treasury Decision 47251 are amended to read as follows:

Importers should be required by collectors of customs to furnish satisfactory evidence that the seeds are not imported for seeding purposes, when such claim is made the basis for exemption from the necessity of producing a consular invoice. When such evidence is not furnished at the time of entry and a bond is given for the production of a consular invoice, the required evidence may be accepted in satisfaction of the bond obligation if produced within the period prescribed in Section 484 (b) of the Tariff Act of 1930.

[SEAL]

WILLIAM R. JOHNSON,
Acting Commissioner of Customs.

Approved, July 15, 1936.

WAYNE C. TAYLOR,

Acting Secretary of the Treasury.

[F. R. Doc. 1329—Filed, July 18, 1936; 12:57 p. m.]

[T. D. 48440]

AIRPORT OF ENTRY

ROUSES POINT SEAPLANE BASE, ROUSES POINT, NEW YORK, REDESIGNATED AS AN AIRPORT OF ENTRY FOR A PERIOD OF ONE YEAR

To Collectors of Customs and Others Concerned.

Under the authority of Section 7 (b) of the Air Commerce Act of 1926 (49 U. S. C., 1934 ed., 177 (b)) the Rouses Point Seaplane Base, Rouses Point, New York, is hereby redesignated as an Airport of Entry for the landing of aircraft from foreign countries for a period of one year from July 14, 1936.

[SEAL]

J. H. MOYLE,
Commissioner of Customs.

Approved, July 15, 1936.

WAYNE C. TAYLOR,

Acting Secretary of the Treasury.

[F. R. Doc. 1330—Filed, July 18, 1936; 12:57 p. m.]

Bureau of Internal Revenue.

[T. D. 4666]

EXCESS-PROFITS TAX

REGULATIONS RELATING TO THE EXCESS-PROFITS TAX IMPOSED BY SECTION 106 OF THE REVENUE ACT OF 1935, AS AMENDED BY THE REVENUE ACT OF 1936—T. D. 4618 REVOKED

To Collectors of Internal Revenue and Others Concerned:

PARAGRAPH A. Section 402 (Title II—Capital Stock and Excess-profits Tax) of the Revenue Act of 1936 provides:

SEC. 402. Excess-Profits Tax.—

(a) Section 106 (b) of the Revenue Act of 1935 is amended by striking out "except that there shall be deducted the amount of income tax imposed for such year by section 13 of the Revenue Act of 1934, as amended," and inserting in lieu thereof "computed without the deduction of the tax imposed by this section, but with a credit against net income equal to the credit for dividends received provided in section 26 (b) of the Revenue Act of 1936."

(b) The amendment made by subsection (a) shall not apply to an income-tax taxable year beginning before January 1, 1936.

PAR. B. Section 106 (Title I) of the Revenue Act of 1935, as amended by section 402 of the Revenue Act of 1936, provides:

SEC. 106. Excess-Profits Tax.—

(a) There is hereby imposed upon the net income of every corporation for each income-tax taxable year ending after the close of the first year in respect of which it is taxable under section 105, an excess-profits tax equal to the sum of the following:

6 per centum of such portion of its net income for such income-tax taxable year as is in excess of 10 per centum and not in excess of 15 per centum of the adjusted declared value; 12 per centum of such portion of its net income for such income-tax taxable year as is in excess of 15 per centum of the adjusted declared value.

(b) The adjusted declared value shall be determined as provided in section 105 as of the close of the preceding income-tax taxable year (or as of the date of organization if it had no preceding income-tax taxable year). If the income-tax taxable year in respect of which the tax under this section is imposed is a period of less than 12 months, such adjusted declared value shall be reduced to an amount which bears the same ratio thereto as the number of months in the period bears to 12 months. For the purposes of this section the net income shall be the same as the net income for income tax purposes for the year in respect of which the tax under this section is imposed, computed without the deduction of the tax imposed by this section, but with a credit against net income equal to the credit for dividends received provided in section 26 (b) of the Revenue Act of 1936.

(c) All provisions of law (including penalties) applicable in respect of the taxes imposed by Title I of the Revenue Act of 1934, as amended, shall, insofar as not inconsistent with this section, be applicable in respect of the tax imposed by this section, except that the provisions of section 131 of that title shall not be applicable.

(d) The excess-profits tax imposed by section 702 of the Revenue Act of 1934 shall not apply to any taxpayer with respect to any income-tax taxable year ending after June 30, 1936.

PAR. C. Section 26 (b) (Title I—Income Tax) of the Revenue Act of 1936 provides:

SEC. 26. Credits of Corporations.—

In the case of a corporation the following credits shall be allowed to the extent provided in the various sections imposing tax—

(b) Dividends Received.—85 per centum of the amount received as dividends from a domestic corporation which is subject to taxation under this title. The credit allowed by this subsection shall not be allowed in respect of dividends received from a corporation organized under the China Trade Act, 1922, or from a corporation which under section 251 is taxable only on its gross income from sources within the United States by reason of its receiving a large percentage of its gross income from sources within a possession of the United States.

PAR. D. Section 401 (Title II) of the Revenue Act of 1936 provides:

SEC. 401. Capital Stock Tax.—

(a) Section 105 of the Revenue Act of 1935 is amended by striking out “\$1.40” wherever appearing therein and inserting in lieu thereof “\$1.”

(b) Subsection (c) of such section is amended by striking out “1934” and inserting in lieu thereof “1936”, and by striking out “, as amended” wherever appearing in such subsection.

(c) Subsection (f) (4) of such section is amended to read as follows: “(4) the excess of its income wholly exempt from the taxes imposed by the applicable income-tax law over the amount disallowed as a deduction by section 24 (a) (5) of the Revenue Act of 1934 or a corresponding provision of a later Revenue Act, and”.

PAR. E. Section 105 (Title I) of the Revenue Act of 1935, as amended by section 401 of the Revenue Act of 1936, provides:

SEC. 105. Capital Stock Tax.—

(a) For each year ending June 30, beginning with the year ending June 30, 1936, there is hereby imposed upon every domestic corporation with respect to carrying on or doing business for any part of such year an excise tax of \$1 for each \$1,000 of the adjusted declared value of its capital stock.

(b) For each year ending June 30, beginning with the year ending June 30, 1936, there is hereby imposed upon every foreign corporation with respect to carrying on or doing business in the United States for any part of such year an excise tax equivalent to \$1 for each \$1,000 of the adjusted declared value of capital employed in the transaction of its business in the United States.

(c) The taxes imposed by this section shall not apply—

(1) to any corporation enumerated in section 101 of the Revenue Act of 1936;

(2) to any insurance company subject to the tax imposed by section 201, 204, or 207 of such Act.

(d) Every corporation liable for tax under this section shall make a return under oath within one month after the close of the year with respect to which such tax is imposed to the collector for the district in which is located its principal place of business or, if it has no principal place of business in the United States, then to the collector at Baltimore, Maryland. Such return shall contain such information and be made in such manner as the Commissioner with the approval of the Secretary may by regulations prescribe. The tax shall, without assessment by the Commissioner or notice from the collector, be due and payable to the collector before the expiration of the period for filing the return. If the tax is not paid when due, there shall be added as part of the tax interest at the rate of 6 per centum per annum from the time when the tax became due until paid. All provisions of law (including penalties) applicable in respect of the taxes imposed by section 600 of the Revenue Act of 1928 shall, insofar as not inconsistent with this section, be applicable in respect of the taxes imposed by this section. The Commissioner may extend the time for making the returns and paying the taxes imposed by this section, under such rules and regulations as he may prescribe with the approval of the Secretary, but no such extension shall be for more than sixty days.

(e) Returns required to be filed for the purpose of the tax imposed by this section shall be open to inspection in the same manner, to the same extent, and subject to the same provisions of law, including penalties, as returns made under Title II of the Revenue Act of 1926.

(f) For the first year ending June 30, in respect of which a tax is imposed by this section upon any corporation, the adjusted declared value shall be the value, as declared by the corporation in its first return under this section (which declaration of value cannot be amended), as of the close of its last income-tax taxable year ending at or prior to the close of the year for which the tax is imposed by this section (or as of the date of organization in the case of a corporation having no income-tax taxable year ending at or prior to the close of the year for which the tax is imposed by this section). For any subsequent year ending June 30, the adjusted declared value in the case of a domestic corporation shall be the original declared value plus (1) the cash and fair market value of property paid in for stock or shares, (2) paid in surplus and contributions to capital, (3), its net income, (4) the excess of its income wholly exempt from the taxes imposed by the applicable income-tax law over the amount disallowed as a deduction by section 24 (a) (5) of the Revenue Act of 1934, or a corresponding provision of a later Revenue Act, and (5) the amount of the dividend deduction allowable for income tax purposes, and minus (A) the value of property distributed in liquidation to shareholders, (B) distributions of earnings or profits, and (C) the excess of the deductions allowable for income tax purposes over its gross income; adjustment being made for each income-tax taxable year included in the period from the date as of which the original declared value was declared to the close of its last income-tax taxable year ending at or prior to the close of the year for which the tax is imposed by this section. The amount of such adjustment for each such year shall be computed (on the basis of a separate return) according to the income tax law applicable to such year. For any subsequent year ending June 30, the adjusted declared value in the case of a foreign corporation shall be the original declared value adjusted (for the same income-tax taxable years as in the case of a domestic corporation), in accordance with regulations prescribed by the Commissioner with the approval of the Secretary, to reflect increases or decreases in the capital employed in the transaction of its business in the United States.

(g) For the purpose of the tax imposed by this section there shall be allowed in the case of a corporation organized under the China Trade Act, 1922, as a credit against the adjusted declared value of its capital stock, an amount equal to the proportion of such adjusted declared value which the par value of the shares of stock of the corporation, owned on the last day of the taxable year by (1) persons resident in China, the United States, or possessions of the United States, and (2) individual citizens of the United States or China wherever resident, bears to the par value of the whole number of shares of stock of the corporation outstanding on such date. For the purposes of this subsection shares of stock of a corporation shall be considered to be owned by the person in whom the equitable right to the income from such shares is in good faith vested; and as used in this subsection the term “China” shall have the same meaning as when used in the China Trade Act, 1922.

(h) The capital stock tax imposed by section 701 of the Revenue Act of 1934 shall not apply to any taxpayer with respect to any year after the year ending June 30, 1935.

PAR. F. Section 52 (Title I—Income Tax) of the Revenue Act of 1934 provides:

SEC. 52. Corporation Returns.—

Every corporation subject to taxation under this title shall make a return, stating specifically the items of its gross income and the deductions and credits allowed by this title. The return shall be sworn to by the president, vice president, or other principal officer and by the treasurer, assistant treasurer, or chief accounting officer. In cases where receivers, trustees in bankruptcy, or assignees are operating the property or business of corporations,

such receivers, trustees, or assignees shall make returns for such corporations in the same manner and form as corporations are required to make returns. Any tax due on the basis of such returns made by receivers, trustees, or assignees shall be collected in the same manner as if collected from the corporations of whose business or property they have custody and control.

PAR. G. Section 53 (Title I—Income Tax) of the Revenue Act of 1934 provides, in part, as follows:

SEC. 53. Time and Place for Filing Returns—
(a) **Time for Filing—**

(1) **General rule.**—Returns made on the basis of the calendar year shall be made on or before the 15th day of March following the close of the calendar year. Returns made on the basis of a fiscal year shall be made on or before the 15th day of the third month following the close of the fiscal year.

(2) **Extension of time.**—The Commissioner may grant a reasonable extension of time for filing returns, under such rules and regulations as he shall prescribe with the approval of the Secretary. Except in the case of taxpayers who are abroad, no such extension shall be for more than six months.

(b) **To Whom Return Made.—**

(2) **Corporations.**—Returns of corporations shall be made to the collector of the district in which is located the principal place of business or principal office or agency of the corporation; or, if it has no principal place of business or principal office or agency in the United States, then to the collector at Baltimore, Maryland.

PAR. H. Section 56 (Title I—Income Tax) of the Revenue Act of 1934 provides, in part, as follows:

SEC. 56. Payment of Tax.—

(a) **Time of Payment.**—The total amount of tax imposed by this title shall be paid on the fifteenth day of March following the close of the calendar year, or, if the return should be made on the basis of a fiscal year, then on the fifteenth day of the third month following the close of the fiscal year.

(c) **Extension of Time for Payment.**—At the request of the taxpayer, the Commissioner may extend the time for payment of the amount determined as the tax by the taxpayer, or any installment thereof, for a period not to exceed six months from the date prescribed for the payment of the tax or an installment thereof. In such case the amount in respect of which the extension is granted shall be paid on or before the date of the expiration of the period of the extension.

PAR. I. Section 145 (Title I—Income Tax) of the Revenue Act of 1934 provides:

SEC. 145. Penalties.—

(a) Any person required under this title to pay any tax, or required by law or regulations made under authority thereof to make a return, keep any records, or supply any information, for the purposes of the computation, assessment, or collection of any tax imposed by this title, who willfully fails to pay such tax, make such return, keep such records, or supply such information, at the time or times required by law or regulations, shall, in addition to other penalties provided by law, be guilty of a misdemeanor and, upon conviction thereof, be fined not more than \$10,000, or imprisoned for not more than one year, or both, together with the costs of prosecution.

(b) Any person required under this title to collect, account for, and pay over any tax imposed by this title, who willfully fails to collect or truthfully account for and pay over such tax; and any person who willfully attempts in any manner to evade or defeat any tax imposed by this title or the payment thereof, shall, in addition to other penalties provided by law, be guilty of a felony and, upon conviction thereof, be fined not more than \$10,000, or imprisoned for not more than five years, or both, together with the costs of prosecution.

(c) The term "person" as used in this section includes an officer or employee of a corporation or a member or employee of a partnership, who as such officer, employee, or member is under a duty to perform the act in respect of which the violation occurs.

PAR. J. Section 61 (Title I—Income Tax) of the Revenue Act of 1934 provides:

SEC. 61. Laws Made Applicable.—

All administrative, special, or stamp provisions of law, including the law relating to the assessment of taxes, so far as applicable, are hereby extended to and made a part of this title.

PAR. K. Section 62 (Title I—Income Tax) of the Revenue Act of 1934 provides:

SEC. 62. Rules and Regulations.—

The Commissioner, with the approval of the Secretary, shall prescribe and publish all needful rules and regulations for the enforcement of this title.

Pursuant to the above-quoted provisions and other provisions of the internal revenue laws, the following regulations

are hereby prescribed with respect to the excess-profits tax imposed by the Revenue Act of 1935, as amended:

ARTICLE 1. Definitions.—As used in these regulations, the term—

(a) **"Adjusted declared value"** means in the case of a domestic corporation the adjusted declared value of its capital stock as determined under section 105 of the Revenue Act of 1935, as amended, and the regulations issued respecting the capital stock tax imposed by that section; and in the case of a foreign corporation the adjusted declared value of capital employed in the transaction of its business in the United States as determined under such section and the regulations issued in reference thereto.

(b) **"Tax"**, except as otherwise indicated, means the excess-profits tax imposed by section 106 of the Revenue Act of 1935, as amended.

(c) **"Income-tax taxable year"** means the calendar year, the fiscal year ending during such calendar year, or the fractional part of a year, upon the basis of which the corporation's net income is computed and for which its income tax returns are made for Federal income tax purposes.

(d) **"Net Income"** means (1) "Net income" within the contemplation of section 21 of the Revenue Act of 1934, or (2) in the case of an income-tax taxable year governed by the Revenue Act of 1936, "net income" within the contemplation of section 21 of the Revenue Act of 1936. In the case of income-tax taxable years governed by the Revenue Act of 1934, the credits allowed corporations against net income for income tax purposes (for example, the credit allowed by section 26 of the Revenue Act of 1934) are not applicable in respect of the excess-profits tax, but the amount of income tax imposed for the same taxable year shall be deducted from net income in computing the excess-profits tax. In the case of income-tax taxable years, governed by the Revenue Act of 1936, neither the amount of income tax imposed by the Revenue Act of 1936, nor the amount of the excess-profits tax imposed by the Revenue Act of 1936, as amended, shall be deducted from net income in computing the excess-profits tax and none of the credits allowed corporations against net income for income tax purposes are applicable in respect of the excess-profits tax except the credit against net income equal to the credit for dividends received provided in section 26 (b) of the Revenue Act of 1936. (See paragraph C.)

ART. 2. Scope of tax.—The excess-profits tax, imposed by section 106 of the Revenue Act of 1935, as amended, is imposed upon a certain portion of the net income of every corporation for each income-tax taxable year ending after the close of the first year in respect of which the corporation is subject to the capital stock tax imposed by section 105 of that Act.

ART. 3. Measure and rate of tax.—

(a) **Domestic and foreign corporations.**—The tax is imposed in an amount equal to the sum of (1) 6 per cent of such portion of the corporation's net income for the income-tax taxable year as is in excess of 10 per cent and not in excess of 15 per cent of the adjusted declared value plus (2) 12 per cent of such portion of its net income for the income-tax taxable year as is in excess of 15 per cent of the adjusted declared value, as of the close of the last preceding income-tax taxable year (or as of the date of organization if the corporation had no preceding income-tax taxable year).

(b) **Adjusted declared value.**—No variation is permitted between the adjusted declared value set forth in the corporation's capital stock tax return and the adjusted declared value set forth in its excess-profits tax return, except that in the case of an excess-profits tax return for an income-tax taxable year which is a period of less than twelve months the adjusted declared value set forth in its capital stock tax return shall be reduced to an amount which bears the same ratio thereto as the number of months in the period bears to twelve months.

ART. 4. Method of computation, examples.—The application of the provisions of article 3 of these regulations may be illustrated generally by the following examples:

Example (1): The M Corporation the income-tax taxable year of which is the calendar year, is subject to the capital stock tax imposed by section 105 of the Revenue Act of 1935, as amended, for the year ending June 30, 1936. The value declared in its capital stock tax return for the year ending June 30, 1936, of its capital stock as of the close of its preceding income-tax taxable year (the calendar year 1935) is \$100,000. The net income of the corporation for the calendar year 1936, determined under the Revenue Act of 1936, is \$25,000. (The net income for income-tax taxable years beginning after December 31, 1935, shall be determined under the Revenue Act of 1936.) During its taxable year the corporation received dividends from corporations subject to taxation under Title I of the Revenue Act of 1936, amounting to \$5,000. (See paragraph C.) The excess-profits tax for the calendar year 1936 is \$990, computed as follows:

Net income for calendar year 1936	\$25,000.00
Less: Credit for dividends received (85 per cent of \$5,000)	4,250.00
Balance of net income	20,750.00
Less: 10 per cent of the value declared in the capital stock tax return for the year ending June 30, 1936, of the capital stock as of December 31, 1935 (10 per cent of \$100,000)	10,000.00
Net income subject to excess-profits tax	10,750.00

Less: Amount taxable at 6 per cent, portion of net income in excess of 10 per cent and not in excess of 15 per cent of the adjusted declared value of the capital stock as of December 31, 1935 (\$15,000 minus \$10,000)----- \$5,000.00

Amount taxable at 12 per cent----- 5,750.00

Excess-profits tax at 6 percent (6 per cent of \$5,000)---- 300.00

Excess-profits tax at 12 per cent (12 per cent of \$5,750)--- 690.00

Total excess-profits tax (\$300 plus \$690)----- 990.00

Example (2). The O Corporation, the income-tax taxable year of which is the fiscal year ending July 31, is subject to the capital stock tax imposed by section 105 of the Revenue Act of 1935, as amended, for the year ending June 30, 1936. The value declared in its capital stock tax return for the year ending June 30, 1936, of its capital stock as of the close of its preceding income-tax taxable year (the fiscal year ended July 31, 1935) is \$108,000. The net income of the corporation for the fiscal year ending July 31, 1936, determined under Title I of the Revenue Act of 1934, is \$25,000. (The net income for income-tax taxable years beginning after July 31, 1935, and before January 1, 1936, shall be determined under Title I of the Revenue Act of 1934.) The excess-profits tax for the fiscal year ending July 31, 1936, is \$967.50, computed as follows:

Net income for fiscal year ending July 31, 1936----- \$25,000.00
Less: Income tax for fiscal year ending July 31, 1936--- 3,437.50

Balance of net income----- 21,562.50

Less: 10 per cent of the value declared in the capital stock tax return for the year ending June 30, 1936, of the capital stock as of July 31, 1935 (10 per cent of \$108,000)----- 10,800.00

Net income subject to excess-profits tax----- 10,762.50

Less: Amount taxable at 6 per cent, portion of net income in excess of 10 per cent and not in excess of 15 per cent of the adjusted declared value of the capital stock as of July 31, 1935 (\$16,200 minus of \$10,800)--- 5,400.00

Amount taxable at 12 per cent----- 5,362.50

Excess-profits tax at 6 per cent (6 per cent of \$5,400)---- \$324.00

Excess-profits tax at 12 per cent (12 per cent of \$5,362.50)----- 643.50

Total excess-profits tax (\$324 plus \$643.50)----- 967.50

ART. 5. *Return*.—Every corporation which is subject to the capital stock tax imposed by section 105 of the Revenue Act of 1935, as amended, shall make an excess-profits tax return for each income-tax taxable year which ends after the close of the first year in respect of which it is subject to such capital stock tax. There is no provision in the Revenue Act of 1935 which authorizes the making of a consolidated return by an affiliated group of corporations for the purpose of the excess-profits tax imposed by section 106 of that Act. Accordingly, every corporation which is liable for the making of an excess-profits tax return under section 106 of the Revenue Act of 1935, as amended (for any income-tax taxable year ending June 30, 1936), whether or not such corporation is a member of an affiliated group of corporations, must make its excess-profits tax return and compute its net income separately, without regard to the provisions of section 141 of the Revenue Act of 1934.

The excess-profits tax return shall be made within the time prescribed for making the corporation's Federal income tax return for the income-tax taxable year, and shall be made to the collector of internal revenue to whom such income-tax return is required to be made.

ART. 6. *Payment of tax*.—The excess-profits tax for any income-tax taxable year shall be paid within the time prescribed for paying the Federal income tax for such taxable year. (See paragraph 1, above.)

ART. 7. *Credits against tax prohibited*.—Foreign income and profits taxes may not be credited against the excess-profits tax imposed by section 106 of the Revenue Act of 1935, as amended.

ART. 8. *Determination of tax, assessment, collection*.—The determination, assessment, and collection of the tax, and the examination of returns and claims in connection therewith, will be made under such procedure as may be prescribed from time to time by the Commissioner.

ART. 9. *Revocation of Treasury Decision 4618*.—Treasury Decision 4618 (C. B. XIV-2, 47), approved December 20, 1935, is hereby revoked.

[SEAL] GUY T. HELVERING,
Commissioner of Internal Revenue.

Approved, July 16, 1936.

WAYNE C. TAYLOR,
Acting Secretary of the Treasury.

[F. R. Doc. 1322—Filed, July 18, 1936; 12:58 p. m.]

Bureau of Narcotics.

[T. D. 23]

NARCOTIC REGULATIONS AMENDED—CHANGE OF OWNERSHIP OR ADDRESS

To Narcotic District Supervisors, Collectors of Internal Revenue, and Others Concerned:

Pursuant to the authority contained in the Acts of December 17, 1914 (as amended (38 Stat. 785; U. S. Code (1934 Ed.), Title 26, Sec. 1049) as further amended by the "Revenue Act of 1936", approved June 22, 1936) and June 14, 1930 (46 Stat. 585; U. S. Code (1934 Ed.), Title 5, Sec. 282e), the last paragraph of Article 33 of Narcotic Regulations No. 5, is hereby amended to read as follows:

The person continuing the business must, within 30 days after the date of change of ownership, notify the collector of internal revenue for the district in which the place of business is located of such fact and file Form 678-A. This form must show the name of the original taxpayer and the name of the successor and his residence, together with all other data indicated by the form. The successor to the business must furnish evidence of qualification as required by Article 3, and must execute the Form 678-A in accordance with Articles 3 to 5, inclusive.

Article 33 of Narcotic Regulations No. 5 is hereby amended to read as follows:

Procedure by taxpayer.—Whenever a special taxpayer removes his business from the place specified in his last application, on Form 678 or 678-A, and stated in his special tax stamp, to another address, he must, within thirty days after the date on which such transfer occurs, register the fact by filing with the collector of the district in which the old place of business is located, a Form 673, executed as required by Article 3, and with such modification of the printed matter as is necessary, setting forth the time and place where he intends to engage in the business described. The taxpayer will forward his special tax stamp to the collector. The information with respect to ownership required by Article 4 must appear.

GUY T. HELVERING,

Commissioner of Internal Revenue.

WILL S. WOOD,

Acting Commissioner of Narcotics.

Approved, July 15, 1936.

WAYNE C. TAYLOR,

Acting Secretary of the Treasury.

[F. R. Doc. 1331—Filed, July 18, 1936; 12:57 p. m.]

DEPARTMENT OF THE INTERIOR.

Division of Grazing.

SUPPLEMENTARY RULES FOR ADMINISTRATION OF GRAZING DISTRICTS

The Rules for Administration of Grazing Districts, approved March 2, 1936, by the Secretary of the Interior, contain the regular procedure to be followed in enforcement of penalties. No additional remedy in ordinary cases is necessary. In cases, however, where the service of a notice in trespass, as provided for in said rules does not get the desired action and where the immediate removal of livestock is urgent, the following additional procedure is authorized:

EJECTMENT

In cases in which the owner of trespassing livestock has privately controlled land within or near the district the regional grazer will issue an order for the removal of such livestock from the public lands of the district, and the officer into whose hands such an order comes will remove such livestock to such privately controlled land. Proper care will be exercised in such removal not to harm the livestock, and the owner or person in charge will be notified immediately of such action and of the location of the lands on which said livestock are left. Ordinarily no lien will be asserted on said livestock and no claim made for damage or other costs, but such waiver of lien will not relieve the owner of liability for damages or liability to prosecution for the trespass committed.

IMPOUNDMENT

If in emergency the foregoing procedure is impossible or impracticable, as, for example, if the owner or other person having an interest in trespassing livestock is unknown, or is known but fails or refuses after notice to remove said livestock and to the best knowledge of the representative of the Division of Grazing there are no privately controlled lands within or near the district to which said livestock may be lawfully removed, or if resort by the United States to the particular local statutory procedure for the exercise of its right as a proprietor is impracticable, ineffective, or will entail delay, or if for any reason whatever the adequate protection of public property requires that trespassing livestock be immediately removed from a grazing district, then the regional grazer may order the officer to impound said livestock, using proper care in their handling and feeding at all times.

Written notice of the impoundment shall be given to the owner or other interested party, if known, together with a statement of the reasonable charges for damage, expense of driving, handling, and feeding from the time of impoundment. In any case, notice shall be given also by posting in at least three conspicuous public places within the county in which the livestock were found in trespass. Upon payment of these charges the lien will be released and the livestock delivered to the owner or other interested party.

In the event that payment of such charges to discharge the lien is not made, then the officer shall foreclose the lien by whatever method is provided under the statutes of the State having jurisdiction.

The settlement of all expenses incurred in impounding will not relieve the owner of obligation for damages or liability for prosecution for the trespass committed.

F. R. CARPENTER,
Director of Grazing.

Approved, July 14, 1936

T. A. WALTERS,
Acting Secretary of the Interior

NOTICE OF TRESPASS

DEPARTMENT OF THE INTERIOR
DIVISION OF GRAZING

Date _____
State of _____
District No. _____
File No. _____

To _____
You are hereby notified that your (cattle, horses, sheep, goats) are trespassing within Grazing District No. _____, State of _____, in the vicinity of (describe by legal subdivision) _____, in violation of Rule No. _____

of the General Rules of the Range included in Rules for Administration of Grazing Districts, approved March 2, 1936, by the Secretary of the Interior. These rules were issued under authority of the act of June 28, 1934 (48 Stat. 1269), commonly known as the Taylor Grazing Act, which provides that "any willful violations of the provisions of this Act" or of "rules and regulations thereunder after actual notice thereof shall be punishable by a fine of not more than \$500."

You are allowed _____ from receipt of notice hereof within which to remove your above-mentioned livestock from said grazing district, or to show that you have not violated the rules, if such is the case. If you fail in this said livestock may be removed from the public lands of said district by the proper United States officer and may be impounded and sold to satisfy the damages and costs of such trespass, and the matter may be brought to the attention of the United States attorney for immediate prosecution.

(Name and Title)
STATE OF _____
County of _____, ss: _____

I, _____ do solemnly swear that I have this _____ day of _____, 1936, personally served the above notice on _____ by delivering to him a true copy of this notice at the town of _____ (or in the vicinity of Sec. _____, Township _____, Range _____), in the State of _____.

(Name and Title)
Subscribed and sworn to before me this _____ day of _____, 1936, at _____, State of _____

Notary Public Residing at _____

ORDER

DEPARTMENT OF THE INTERIOR
DIVISION OF GRAZING

Date _____
State of _____
District No. _____
File No. _____

To any Officer or Employee of, or Assigned to Duty in, the Field Service of the Division of Grazing, Department of the Interior.

You are hereby directed to remove from the public lands of Grazing District No. _____, State of _____, the livestock of _____, of _____, State of _____, which are now on such lands in violation of the Rules for Administration of Grazing Districts, approved March 2, 1936, by the Secretary of the Interior.

(Regional Grazer)

NOTICE OF IMPOUNDMENT

To _____
(If unknown, so state)

Under authority of the act of June 28, 1934 (48 Stat. 1269), commonly known as the Taylor Grazing Act, and the Rules for Administration of Grazing Districts, approved March 2, 1936, by the Secretary of the Interior, and Supplementary Rules, approved _____, 1936, I have removed the following-described livestock from trespass within Grazing District No. _____, State of _____, to wit:

(Describe by brands, marks, and other means of identification)

I have impounded the same at _____, State of _____, and will redeliver said livestock to the owner or properly authorized person upon satisfaction of damages and the payment of all expenses incurred in gathering, pasturing, feeding, handling and advertising, and all other reasonable expenses incidental thereto, which are itemized as follows:

Upon payment of the foregoing total sum the stock will be released to the owner.

(Regional Grazer)

Date _____
STATE OF _____
County of _____, ss:

I, _____, do solemnly swear (or affirm) that on the _____ day of _____, 1936, I deposited in the United States registry mail at _____, State of _____, a true copy of the above notice addressed to _____, at his address of record, which is _____, State of _____, that the envelope containing said notice bears registry stamp No. _____, and that registry return card for addressee only has been demanded.

(Name and Title)

Subscribed and sworn to before me this _____ day of _____, 1936, at _____, State of _____

Notary Public Residing at _____

[F. R. Doc. 1324—Filed, July 18, 1936; 9:53 a. m.]

FEDERAL EMERGENCY ADMINISTRATION OF PUBLIC WORKS.

[Administrative Order No. 154]

SIGNS—P. W. A. NON-FEDERAL PROJECTS

JULY 17, 1936.

1. Paragraph 13 of the "Construction Regulations" of P. W. A. Bulletin No. 2, Revised March 3, 1934, P. W. A. Bulletin No. 2, Revised March 1, 1935, P. W. A. Forms Nos. 166, 171, 179, 180, 188, 190, 191, 200, and 202, is amended so as to read as follows:

13. Signs.—The contractor shall furnish and erect, as required in the specifications, signs bearing the legend:

(P. W. A.)
FEDERAL EMERGENCY
ADMINISTRATION OF PUBLIC WORKS

(Description of Project)

PROJECT NO. _____

2. The State Director shall require that such signs, whether furnished and erected by the Owner or by a prin-

principal contractor or contractors, shall conform to the following:

- (a) They shall be lettered in accordance with the attached detailed drawings.
- (b) They shall bear the appropriate project description and number.
- (c) They shall be of one or more of the following standard sizes, namely 3'x5', 4½'x7½', and 6'x10'. (In each case the State Director shall indicate which one or more of these standard sizes are to be used and the quantity of each size.)
- (d) Subject to Sub-paragraph (b) of this Paragraph 2, they shall bear no other legend than that prescribed.
- (e) They shall be built of wood.
- (f) They shall be erected and maintained upon the site of the project at points and in positions to be designated by the Owner:

NOTE.—The State Director shall advise the Owner that the latter should consult the Resident Engineer Inspector as to the points and positions to be designated.

- (g) The entire woodwork of each such sign shall be given a lead and oil priming coat and two coats of lead and oil paint.

- (h) The field of each such sign shall be white and the lettering shall be black.

- (i) If any such signs are to be furnished and erected by some one or more principal contractors:

- (1) The contractor shall protect the required signs from injury during the continuance of work under the contract and shall do all patching of lettering, painting, and bracing thereof necessary to maintain the same in first class condition and in their proper positions.

- (2) At the expiration of all other work under the contract, the contractor shall remove all required signs furnished and erected by the contractor unless otherwise directed by the Owner.

- (j) If any such signs are to be furnished and erected by the Owner:

- (1) The Owner must protect all such signs from injury during the period of construction of the project and do all patching of lettering, painting, and bracing thereof necessary to maintain the same in first class condition and in their proper positions.

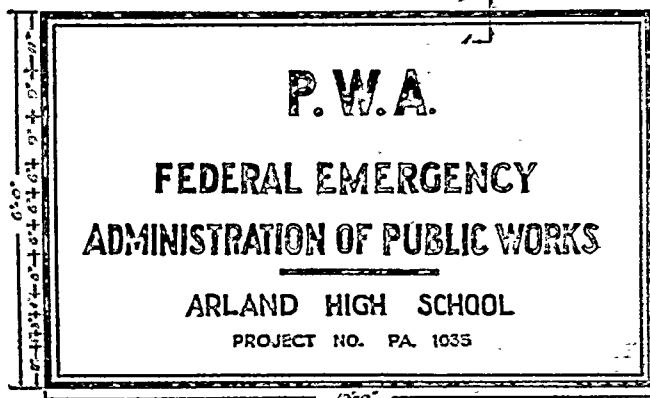
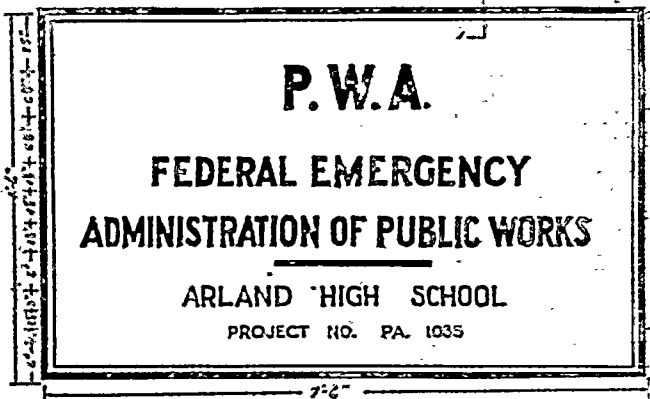
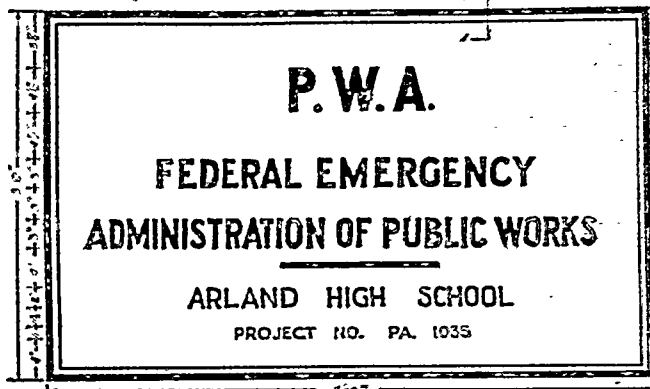
- (2) At the expiration of all other work on the project, the Owner must remove all such signs furnished and erected by it.

3. If any such signs are to be furnished and erected by some one or more principal contractors, the State Director shall cause to be included in the specifications of the appropriate proposed principal contracts provisions substantially in accord with the requirements set forth in Sub-paragraphs (a) to (i), both inclusive, of Paragraph 2 hereof, and such additional descriptive data as he may deem necessary with respect to such signs, to the end that bidders and contractors may know precisely what is required. If any such signs are to be furnished and erected by the Owner, the State Director shall give the Owner sufficient advance written notice substantially in accord with the requirements set forth in Sub-paragraphs (a) to (h), both inclusive, and Sub-paragraph (j), of Paragraph 2 hereof, including in such notice such additional descriptive data as he may deem necessary with respect to such signs, to the end that the Owner may know precisely what is required. Simultaneously with his transmittal of said notice to the Owner, the State Director shall transmit two copies thereof to the State Engineer Inspector.

4. If the Owner performs any part of the work on the project by force account, the State Director shall require that the Owner furnish and erect appropriate project signs upon the site of such work.

5. Whether signs of more than one standard size shall be furnished and erected and the quantity of each such size shall be determined by the State Director. In making this

determination, the State Director shall consider the character and scope of the project and may call upon the State Engineer Inspector for the latter's recommendations, keeping in mind that the primary purpose of requiring these signs is that the participation of the Federal Emergency Ad-



ministration of Public Works in the project should be adequately brought to the attention of the public.

6. It is important that before any other work is performed at the site of the project appropriate project signs be furnished and erected either by the Owner or by the contractor, whichever is to commence work on the project, and that as construction of the project advances through the various stages, additional appropriate project signs be furnished and erected.

7. If a project is to be constructed under more than one principal contract, it is unnecessary for the State Director to cause to be included in all proposed principal contracts provisions obligating the contractors to furnish and erect project signs. Insofar as contracts are concerned, he may confine the requirements to some one or more of the proposed principal contracts. If he should decide not to include provisions in some one or more proposed principal contracts obligating the contractor to furnish and erect project signs, he should not include therein Paragraph 13 of the "Construction Regulations" set forth in Paragraph 1 hereof or any other reference to project signs.

8. As a result of P. W. A. policies and requirements heretofore in effect, project signs have not been standardized and inadequate publicity has been given of the fact that the Federal Emergency Administration of Public Works is participating in various projects. It is desirable that this condition be remedied immediately insofar as practicable. To this end, the Director, Inspection Division, shall immediately cause appropriate investigations to be made in respect of existing project signs on all PWA non-Federal ERA and NRA projects on which work will not be completed prior to September 1, 1936, and said Director shall cause appropriate reports and recommendations in respect of such matters to be furnished and each State Director concerned. Upon receipt of such reports and recommendations such State Director shall take immediate appropriate steps to insure that all project signs heretofore or hereafter furnished and erected at the site of such projects shall be made to conform to the requirements of this Order even though it be necessary for the Owner to cause existing signs to be removed and replaced by others in conformity with such requirements.

9. If, in order to effectuate the requirements of Paragraph 8 hereof, it should become necessary for an Owner to issue change orders in respect of existing contracts, the State Director may approve of the issuance thereof: *Provided, however, That no existing allotment will be increased because of compliance with this Order.*

10. Attached hereto are detailed drawings of the three standard sizes of project signs.

11. The Director, Inspection Division, shall cause to be reported in the usual manner all non-compliances with requirements made by State Directors under this Order.

12. This Order is issued under authority of Executive Order No. 6929, of December 26, 1934, and Executive Order No. 7064, of June 7, 1935.

13. P. W. 1722, dated November 23, 1933, Administrative Order No. 45, dated June 11, 1935, and all other Orders and parts of Orders in conflict herewith are hereby rescinded.

HAROLD L. ICKES, *Administrator.*

[F. R. Doc. 1333—Filed, July 20, 1936; 10:45 a. m.]

FEDERAL HOME LOAN BANK BOARD.

Home Owners' Loan Corporation.

AMENDMENT OF SECURITY SUBSTITUTION PROCEDURE

Be it resolved, that pursuant to the authority vested in the Federal Home Loan Bank Board under and by virtue of the Home Owners' Loan Act of 1933 (48 Stat. 128, 129), as amended by Sections 1 and 13 of the Act of April 27, 1934 (48 Stat. 643-647), and particularly by Sections 4-a and 4-k of said Act, as amended, Section 1-k of Chapter IV of the Regional Manual and Section 1-k of Chapter XX of the State Manual are hereby amended to read as follows:

k. Substitution of security held by the Corporation under its mortgages or other lien instruments is authorized to be made as herein provided and in accordance with the procedure authorized to be promulgated hereunder.

(1) Where on account of condemnation proceedings, which have been commenced or are in contemplation, or on account of fire, windstorm, flood, other similar casualty losses, sale, transfer, or other matter affecting the security for the loan, conditions arise which make it for the interest of the Corporation to accept an offer from the home owner to substitute other real estate as security in lieu of that held by the Corporation under its mortgage or other lien instrument, or in addition to that to be held after the condemnation, casualty loss, sale, transfer, or other matter, a Regional Manager, with the approval of a Regional Counsel, may, after appraisal and pursuant to established regulations, authorize the acceptance of such other real estate, and may consent to the removal and relocation of improvements and the repair, alteration, or reconditioning thereof, and may permit the home owner to use all or a portion of the award, insurance loss settlement, or other consideration for the purpose of acquiring the new or additional property, including additional improvements, of removing and relocating the improvements, making the repairs, alterations, or reconditioning, and of paying other proper expenses in connection with the transaction.

(2) Such officers, with the approval of the General Manager or a Deputy General Manager and the General Counsel or an Associate General Counsel, may also authorize the making of an additional advance for expenses in connection with the removal and relocation of the improvements in such cases and for expenses of appraisal, title search, recording fees, and other necessary charges in connection with the substitution of the new or additional security, provided that the borrower is unable to pay such expenses and it affirmatively appears that such advance is necessary to prevent a material loss to the Corporation in the particular loan.

(3) Upon the taking of any new or additional property as security, such instruments shall be taken to evidence and secure the total unpaid indebtedness as will adequately protect the Corporation, and such as will preserve a valid first lien on the old property retained, if any, and create a valid first lien on the new security. If a first lien is not obtainable, such cases shall be submitted to the General Manager or a Deputy General Manager who, with the advice of the General Counsel or an Associate General Counsel, shall direct the action to be taken in regard to the same. A release, in whole or in part, of the original security, where appropriate, may be made by any official authorized by the Regulations to execute releases of the mortgage lien of the Corporation; and releases may be made for such consideration as may be determined by the Regional Manager subject to the provisions hereof.

[SEAL]

R. L. NAGLE, *Secretary.*

[F. R. Doc. 1323—Filed, July 17, 1936; 3:13 p. m.]

FEDERAL TRADE COMMISSION.

United States of America—Before Federal Trade Commission

At a regular session of the Federal Trade Commission, held at its office in the City of Washington, D. C., on the 15th day of July A. D. 1936.

Commissioners: Charles H. March, Chairman; Garland S. Ferguson, Jr., Ewin L. Davis, W. A. Ayres, Robert E. Freer.

[File No. 21-269]

IN THE MATTER OF TRADE PRACTICE RULES FOR THE COTTON CONVERTING INDUSTRY

PROMULGATION OF TRADE PRACTICE RULES

Due proceedings having been had under the trade practice conference procedure in pursuance of the Act of Congress approved September 26, 1914 (38 Stat. 717).

It is now ordered, that the trade practice rules of Group I which have been approved by the Commission in this proceeding and those of Group II which have been received by the Commission as expressions of the industry be, and the same are, hereby promulgated for the Cotton Converting Industry, as follows:

TRADE PRACTICE RULES—COTTON CONVERTING INDUSTRY

GROUP I

The unfair trade practices which are embraced in Group I rules are considered to be unfair methods of competition within the decisions of the Federal Trade Commission and

the Courts, and appropriate proceedings in the public interest will be taken by the Commission to prevent the use of such unlawful practices in or directly affecting interstate commerce.

Rule 1.

The secret payment or allowance of rebates, refunds, commissions, credits, or unearned discounts, whether in the form of money or otherwise, or secretly extending to certain purchasers special services or privileges not extended to all purchasers under like terms and conditions, with the intent and with the effect of injuring a competitor and where the effect may be to substantially lessen competition or tend to create a monopoly or unreasonably restrain trade, is an unfair trade practice.

Rule 2.

The false or deceptive marking or branding of products of the industry for the purpose or with the capacity, tendency, or effect of misleading or deceiving purchasers, prospective purchasers, or the consuming public with respect to the grade, quality, quantity, use, size, material, content, origin, preparation, manufacture, or distribution of such products, or in any other material respect, is an unfair trade practice.

Rule 3.

The practice of imitating or causing to be imitated or directly or indirectly promoting or aiding the imitation of, the trade-marks, trade names, or other exclusively owned symbols or marks of identification of competitors, or the exclusively owned patterns of competitors which have not been directly or by operation of law dedicated to the public, having the capacity, tendency, or effect of misleading or deceiving purchasers, prospective purchasers, or the consuming public, is an unfair trade practice.

Rule 4.

Price discrimination contrary to Section 2 of the Clayton Act as amended by the Act of Congress approved June 19, 1936 (Public, no. 692, 74th Congress), is an unfair trade practice.

Rule 5.

The use of false or deceptive selling methods, or false or deceptive credit terms, which have the tendency, capacity, or effect of misleading or deceiving purchasers, prospective purchasers or the consuming public, is an unfair trade practice.

Rule 6.

The making, or causing or permitting to be made or published, any false, untrue, or deceptive statement or representation by way of advertisement or otherwise, concerning the grade, quality, quantity, use, size, material, content, origin, preparation, manufacture, or distribution of any industry products, or in any other material respect, with the purpose or with the capacity, tendency, or effect of misleading or deceiving purchasers, prospective purchasers, or the consuming public, is an unfair trade practice.

Rule 7.

The defamation of competitors by falsely imputing to them dishonorable conduct, inability to perform contracts, questionable credit standing, or by other false representations, or the false disparagement of the grade, quality, or manufacture of the products of competitors or of their business methods, selling prices, values, credit terms, policies, or services, with the capacity, tendency, or effect of misleading or deceiving purchasers, prospective purchasers, or the consuming public, is an unfair trade practice.

Rule 8.

It is an unfair trade practice for a member of the industry directly or indirectly to give, or offer to give, or permit or cause to be given, money or anything of value to agents, employees, or representatives of customers or prospective customers, or to agents, employees, or representatives of competitors' customers, or prospective customers, without the knowledge of their employers or principals, as an

inducement to influence their employers or principals to purchase or contract to purchase products manufactured or sold by such industry member or the maker of such gift or offer, or to influence such employers or principals to refrain from dealing in the products of competitors or from dealing or contracting to deal with competitors.

Rule 9.

Willfully inducing or attempting to induce, by any false or deceptive means whatsoever, the breach of any lawful contract or contracts existing between competitors and their customers or their suppliers, or willfully interfering with or obstructing the performance of any such contractual duties or services, with the purpose and effect of unduly hampering, injuring, or embarrassing competitors in their business, is an unfair trade practice.

Rule 10.

The publishing or circulating by any member of the industry of false or misleading price quotations, price lists, terms or conditions of sale, or reports as to production or sales, with the purpose and tendency or capacity to mislead or deceive purchasers, prospective purchasers, or the consuming public, is an unfair trade practice.

Rule 11.

The practice of shipping or delivering products which do not conform to specifications of buyers, to samples submitted, or representations made prior to securing the order, without the consent of the purchasers to such substitutions, and with the effect of deceiving or misleading purchasers or consumers, is an unfair trade practice.

Rule 12.

The offering or giving of prizes, premiums, or gifts in connection with the sale of products, or as an inducement thereto, by any scheme which involves lottery, misrepresentation, or fraud, is an unfair trade practice.

Rule 13.

The selling by members of the industry of regular lines of merchandise as "close outs" for the purpose of inducing purchasers to believe they are receiving bargains when such is not the case, with the tendency, capacity, or effect of misleading or deceiving purchasers, prospective purchasers, or the consuming public, is an unfair trade practice.

Rule 14.

Withholding from or inserting in the invoice statements which make the invoice a false record, wholly or in part, of the transaction represented on the face thereof, with the purpose or effect of misleading or deceiving purchasers, prospective purchasers, or the consuming public, is an unfair trade practice.

GROUP II

The trade practices embraced in Group II rules do not, per se, constitute violations of law. They are considered by the industry either to be unethical, uneconomical, or otherwise objectionable; or to be conducive to sound business methods which the industry desires to encourage and promote. Such rules, when they conform to the above specifications and are not violative of law, will be received by the Commission, but the observance of said rules must depend upon and be accomplished through the cooperation of the members of the industry concerned, exercised in accordance with existing law. Where, however, such practices are used in such manner as to become unfair methods of competition in commerce or a violation of any law over which the Commission has jurisdiction, appropriate proceedings will be instituted by the Commission as in the case of violation of Group I rules.

Rule A.

In the interest of the public and the industry all members of the industry should adhere to the practice of not opening their sales offices on Saturdays and Sundays for the transaction of business.

Rule B. The practice of shipping goods for approval or on consignment or pretended consignment which goods have not been previously requested or ordered is condemned by the industry.

Rule C.

Contracts, either written or oral, are business obligations which should be performed in letter and in spirit. The repudiation of contracts by sellers on a rising market or by buyers on a declining market is equally reprehensible and is condemned by the industry.

Rule D.

When goods are sold by specifications or construction, in order that accurate information regarding the type of goods sold or offered for sale may be known to purchasers, the industry approves the practice of placing on the confirmation of order and on the invoice the grey construction, i. e., grey width, count and weight, in the case where the goods sold are to be delivered in the grey; and in the case where the goods sold are to be delivered in the finished state, the industry approves the practice of placing on the confirmation of order and invoice the finished construction, i. e., the width, count, and weight in such finished state. The omission from the confirmation or order or invoice of any such information required by this rule is condemned by the industry.

A Committee on Trade Practices is hereby created by the industry to cooperate with the Federal Trade Commission and to perform such acts as may be legal and proper to put these rules into effect.

By the Commission,

[SEAL] OTIS B. JOHNSON, Secretary.

[F. R. Doc. 1334—Filed, July 20, 1936; 10:53 a. m.]

United States of America—Before Federal Trade Commission

At a regular session of the Federal Trade Commission, held at its office in the City of Washington, D. C., on the 16th day of July A. D. 1936.

Commissioners: Charles H. March, Chairman; Garland S. Ferguson, Jr., Ewin L. Davis, W. A. Ayres, Robert E. Freer.

[Docket No. 2404]

IN THE MATTER OF PROVINCIAL DISTILLERIES, LTD., INC., A CORPORATION

ORDER APPOINTING EXAMINER AND FIXING TIME AND PLACE FOR TAKING TESTIMONY

This matter being at issue and ready for the taking of testimony, and pursuant to authority vested in the Federal Trade Commission, under an Act of Congress (38 Stat. 717; 15 U. S. C. A., Section 41),

It is ordered, that John L. Hornor, an examiner of this Commission, be and he hereby is designated and appointed to take testimony and receive evidence in this proceeding and to perform all other duties authorized by law.

It is further ordered, that the taking of testimony in this proceeding begin on Monday, July 27, 1936, at nine o'clock in the forenoon of that day (eastern standard time), in room 500, 45 Broadway, New York City, N. Y.

Upon completion of testimony for the Federal Trade Commission, the Examiner is directed to proceed immediately to take testimony and evidence on behalf of the respondent. The Examiner will then close the case and make his report.

By the Commission.

[SEAL] OTIS B. JOHNSON, Secretary.

[F. R. Doc. 1336—Filed, July 20, 1936; 10:54 a. m.]

United States of America—Before Federal Trade Commission

At a regular session of the Federal Trade Commission, held at its office in the City of Washington, D. C., on the 16th day of July A. D. 1936.

Commissioners: Charles H. March, Chairman; Garland S. Ferguson, Jr., Ewin L. Davis, W. A. Ayres, Robert E. Freer.

[Docket No. 2410]

IN THE MATTER OF REO DISTILLERS, INC., A CORPORATION
ORDER APPOINTING EXAMINER AND FIXING TIME AND PLACE FOR TAKING TESTIMONY

This matter being at issue and ready for the taking of testimony and pursuant to authority vested in the Federal Trade Commission, under an Act of Congress (38 Stat. 717; 15 U. S. C. A., Section 41),

It is ordered, that John L. Hornor, an examiner of this Commission, be and he hereby is designated and appointed to take testimony and receive evidence in this proceeding and to perform all other duties authorized by law;

It is further ordered, that the taking of testimony in this proceeding begin on Monday, July 27, 1936, at ten o'clock in the forenoon of that day (eastern standard time), in room 500, 45 Broadway, New York City, N. Y.

Upon completion of testimony for the Federal Trade Commission, the examiner is directed to proceed immediately to take testimony and evidence on behalf of the respondent. The examiner will then close the case and make his report.

By the Commission.

[SEAL] OTIS B. JOHNSON, Secretary.

[F. R. Doc. 1335—Filed, July 20, 1936; 10:54 a. m.]

United States of America—Before Federal Trade Commission

At a regular session of the Federal Trade Commission, held at its office in the City of Washington, D. C., on the 16th day of July A. D. 1936.

Commissioners: Charles H. March, Chairman; Garland S. Ferguson, Jr., Ewin L. Davis, W. A. Ayres, Robert E. Freer.

[Docket No. 2411]

IN THE MATTER OF JAMES CLARK DISTILLING CORPORATION AND D. & B. PRODUCTS CORPORATION

ORDER APPOINTING EXAMINER AND FIXING TIME AND PLACE FOR TAKING TESTIMONY

This matter being at issue and ready for the taking of testimony, and pursuant to authority vested in the Federal Trade Commission, under an Act of Congress (38 Stat. 717; 15 U. S. C. A., Section 41)

It is ordered, that John L. Hornor, an examiner of this Commission, be and he hereby is designated and appointed to take testimony and receive evidence in this proceeding and to perform all other duties authorized by law.

It is further ordered, that the taking of testimony in this proceeding begin on Monday, July 27, 1936, at one o'clock in the afternoon of that day, eastern standard time, Room 500, 45 Broadway, New York, New York.

Upon completion of testimony for the Federal Trade Commission, the examiner is directed to proceed immediately to take testimony and evidence on behalf of the respondent. The examiner will then close the case and make his report.

By the Commission.

[SEAL] OTIS B. JOHNSON, Secretary.

[F. R. Doc. 1338—Filed, July 20, 1936; 10:55 a. m.]

United States of America—Before Federal Trade Commission

At a regular session of the Federal Trade Commission, held at its office in the City of Washington, D. C., on the 16th day of July A. D. 1936.

Commissioners: Charles H. March, Chairman; Garland S. Ferguson, Jr., Ewin L. Davis, W. A. Ayres, Robert E. Freer.

[Docket No. 2448]

IN THE MATTER OF UNIVERSAL DISTILLERS, INC.

ORDER APPOINTING EXAMINER AND FIXING TIME AND PLACE FOR TAKING TESTIMONY

This matter being at issue and ready for the taking of testimony, and pursuant to authority vested in the Federal Trade Commission, under an Act of Congress (38 Stat. 717; U. S. C. A., Section 41),

It is ordered, that John L. Hornor, an examiner of this Commission, be and he hereby is designated and appointed to take testimony and receive evidence in this proceeding, and to perform all other duties authorized by law;

It is further ordered, that the taking of testimony in this proceeding begin on Monday, July 27, 1936, at half past two o'clock in the afternoon of that day (eastern standard time), in room 500, 45 Broadway, New York City, New York.

Upon completion of testimony for the Federal Trade Commission, the examiner is directed to proceed immediately to take testimony and evidence on behalf of the respondent. The examiner will then close the case and make his report.

By the Commission.

[SEAL] OTIS B. JOHNSON, *Secretary*.

[F. R. Doc. 1337—Filed, July 20, 1936; 10:55 a. m.]

United States of America—Before Federal Trade Commission

At a regular session of the Federal Trade Commission held at its office in the City of Washington, D. C., on the 16th day of July A. D. 1936.

Commissioners: Charles H. March, Chairman; Garland S. Ferguson, Jr., Ewin L. Davis, W. A. Ayres, Robert E. Freer.

[Docket No. 2452]

IN THE MATTER OF DOMINION DISTILLERIES, INC.

ORDER APPOINTING EXAMINER AND FIXING TIME AND PLACE FOR TAKING TESTIMONY

This matter being at issue and ready for the taking of testimony, and pursuant to authority vested in the Federal Trade Commission, under an Act of Congress (38 Stat. 717, U. S. C. A. Section 41),

It is ordered, that John L. Hornor, an examiner of this Commission, be and he hereby is designated and appointed to take testimony and receive evidence in this proceeding and to perform all other duties authorized by law;

It is further ordered, that the taking of testimony in this proceeding begin on Tuesday, July 28, 1936, at eleven o'clock in the forenoon of that day (eastern standard time), in room 500, 45 Broadway, New York City, New York.

Upon completion of testimony for the Federal Trade Commission, the examiner is directed to proceed immediately to take testimony and evidence on behalf of the respondent. The examiner will then close the case and make his report.

By the Commission.

[SEAL] OTIS B. JOHNSON, *Secretary*.

[F. R. Doc. 1340—Filed, July 20, 1936; 10:56 a. m.]

United States of America—Before Federal Trade Commission

At a regular session of the Federal Trade Commission, held at its office in the City of Washington, D. C., on the 16th day of July A. D. 1936.

Commissioners: Charles H. March, Chairman; Garland S. Ferguson, Jr., Ewin L. Davis, W. A. Ayres, Robert E. Freer.

[Docket No. 2470]

IN THE MATTER OF COLONIAL DISTILLING AND DISTRIBUTING CORPORATION

ORDER APPOINTING EXAMINER AND FIXING TIME AND PLACE FOR TAKING TESTIMONY

This matter being at issue and ready for the taking of testimony, and pursuant to authority vested in the Federal Trade Commission, under an Act of Congress (38 Stat. 717, U. S. C. A., Section 41),

It is ordered, that John L. Hornor, an examiner of this Commission, be and he hereby is designated and appointed to take testimony and receive evidence in this proceeding and to perform all other duties authorized by law.

It is further ordered, that the taking of testimony in this proceeding begin on Tuesday, July 28, 1936, at ten o'clock in the forenoon of that day (eastern standard time), in room 500, 45 Broadway, New York, New York.

Upon completion of testimony for the Federal Trade Commission, the examiner is directed to proceed immediately to take testimony and evidence on behalf of the respondent. The examiner will then close the case and make his report.

By the Commission.

[SEAL] OTIS B. JOHNSON, *Secretary*.

[F. R. Doc. 1338—Filed, July 20, 1936; 10:56 a. m.]

United States of America—Before Federal Trade Commission

At a regular session of the Federal Trade Commission, held at its office in the City of Washington, D. C., on the 16th day of July A. D. 1936.

Commissioners: Charles H. March, Chairman; Garland S. Ferguson, Jr., Ewin L. Davis, W. A. Ayres, Robert E. Freer.

[Docket No. 2471]

IN THE MATTER OF CAMPBELL DISTILLERIES, INC.

ORDER APPOINTING EXAMINER AND FIXING TIME AND PLACE FOR TAKING TESTIMONY

This matter being at issue and ready for the taking of testimony, and pursuant to authority vested in the Federal Trade Commission, under an Act of Congress (38 Stat. 717, U. S. C. A., Section 41),

It is ordered, that John L. Hornor, an examiner of this Commission, be, and, he hereby is, designated and appointed to take testimony and receive evidence in this proceeding and to perform all other duties authorized by law;

It is further ordered, that the taking of testimony in this proceeding begin on Tuesday, July 28, 1936, at one o'clock in the forenoon of that day, in room 500, 45 Broadway, New York, New York (eastern standard time).

Upon completion of testimony for the Federal Trade Commission, the examiner is directed to proceed immediately to take testimony and evidence on behalf of the respondent. The examiner will then close the case and make his report.

By the Commission.

[SEAL] OTIS B. JOHNSON, *Secretary*.

[F. R. Doc. 1342—Filed, July 20, 1936; 10:57 a. m.]

United States of America—Before Federal Trade Commission

At a regular session of the Federal Trade Commission, held at its office in the City of Washington, D. C., on the 16th day of July A. D. 1936.

Commissioners: Charles H. March, Chairman; Garland S. Ferguson, Jr., Ewin L. Davis, W. A. Ayres, Robert E. Freer.

[Docket No. 2473]

IN THE MATTER OF HERCULES PRODUCTS & DISTILLING CORPORATION

ORDER APPOINTING EXAMINER AND FIXING TIME AND PLACE FOR TAKING TESTIMONY

This matter being at issue and ready for the taking of testimony, and pursuant to authority vested in the Federal Trade Commission, under an Act of Congress (38 Stat. 717, U. S. C. A., Section 41),

It is ordered, that John L. Hornor, an examiner of this Commission, be and he hereby is designated and appointed to take testimony and receive evidence in this proceeding and to perform all other duties authorized by law.

It is further ordered, that the taking of testimony in this proceeding begin on Tuesday, July 28, 1936, at half past two o'clock in the afternoon of that day (eastern standard time), in room 500, 45 Broadway, New York, New York.

Upon completion of testimony for the Federal Trade Commission, the examiner is directed to proceed immediately to take testimony and evidence on behalf of the respondent. The examiner will then close the case and make his report.

By the Commission.

[SEAL] OTIS B. JOHNSON, *Secretary*.

[F. R. Doc. 1341—Filed, July 20, 1936; 10:57 a. m.]

United States of America—Before Federal Trade Commission

At a regular session of the Federal Trade Commission, held at its office in the City of Washington, D. C., on the 16th day of July A. D. 1936.

Commissioners: Charles H. March, Chairman; Garland S. Ferguson, Jr., Ewin L. Davis, W. A. Ayres, Robert E. Freer.

[Docket No. 2494]

IN THE MATTER OF DISTILLERS PRODUCTS CORPORATION

ORDER APPOINTING EXAMINER AND FIXING TIME AND PLACE FOR TAKING TESTIMONY

This matter being at issue and ready for the taking of testimony, and pursuant to authority vested in the Federal Trade Commission, under an Act of Congress (38 Stat. 717, U. S. C. A., Section 41),

It is ordered, that John L. Hornor, an examiner of this Commission, be and he hereby is designated and appointed to take testimony and receive evidence in this proceeding and to perform all other duties authorized by law;

It is further ordered, that the taking of testimony in this proceeding begin on Wednesday, July 29, 1936, at nine o'clock in the forenoon of that day (eastern standard time), in room 500, 45 Broadway, New York City, New York.

Upon completion of testimony for the Federal Trade Commission, the examiner is directed to proceed immediately to take testimony and evidence on behalf of the respondent. The examiner will then close the case and make his report.

By the Commission.

[SEAL] OTIS B. JOHNSON, *Secretary*.

[F. R. Doc. 1344—Filed, July 20, 1936; 10:58 a. m.]

United States of America—Before Federal Trade Commission

At a regular session of the Federal Trade Commission, held at its office in the City of Washington, D. C., on the 16th day of July A. D. 1936.

Commissioners: Charles H. March, Chairman; Garland S. Ferguson, Jr., Ewin L. Davis, W. A. Ayres, Robert E. Freer.

[Docket No. 2634]

IN THE MATTER OF KEINZLER DISTILLING CORPORATION

ORDER APPOINTING EXAMINER AND FIXING TIME AND PLACE FOR TAKING TESTIMONY

This matter being at issue and ready for the taking of testimony, and pursuant to authority vested in the Federal Trade Commission, under an Act of Congress (38 Stat. 717, 15 U. S. C. A., Section 41),

It is ordered, that John L. Hornor, an examiner of this Commission, be and he hereby is designated and appointed to take testimony and receive evidence in this proceeding and to perform all other duties authorized by law;

It is further ordered, that the taking of testimony in this proceeding begin on Wednesday, July 29, 1936, at ten o'clock in the forenoon of that day (eastern standard time), in room 500, 45 Broadway, New York City, New York.

Upon completion of testimony for the Federal Trade Commission, the examiner is directed to proceed immediately to take testimony and evidence on behalf of the respondent. The examiner will then close the case and make his report.

By the Commission.

[SEAL] OTIS B. JOHNSON, *Secretary*.

[F. R. Doc. 1343—Filed, July 20, 1936; 10:58 a. m.]

INTERSTATE COMMERCE COMMISSION.

ORDER

At a Session of the Interstate Commerce Commission, Division 5, held at its office in Washington, D. C., on the 11th day of July A. D. 1936.

IN THE MATTER OF THE FILING OF COPIES OF CONTRACTS BY CONTRACT CARRIERS BY MOTOR VEHICLE

It appearing, That by Sec. 218 (a) of the Motor Carrier Act, 1935, it is the duty of every contract carrier by motor vehicle to file with the Commission in the form and manner prescribed by the Commission, schedules, or, in the discretion of the Commission, copies of contracts containing the minimum charges of such carrier for the transportation of persons or property in interstate or foreign commerce, and any rule, regulation, or practice affecting such charge and the value of the service thereunder;

And it further appearing, That the filing by every such contract carrier by motor vehicle of copies of contracts containing the minimum charges of such carrier for the transportation of passengers or property in interstate or foreign commerce, and any rule, regulation, or practice affecting such charges and the value of the service thereunder, is, in the judgment of the Commission, necessary and desirable in the public interest and that the discretion of the Commission, vested in it by Sec. 218 (a) of the Motor Carrier Act, 1935, should be exercised by requiring the filing of copies of such contracts by such contract carriers by motor vehicle, in lieu of such schedules, and the Commission, on the date hereof having so found;

It is ordered, That every contract carrier by motor vehicle subject to the jurisdiction of this Commission shall, on or before the 1st day of October 1936, file with the Commission, publish, and keep open for public inspection in the form and manner prescribed in Tariff Circular MF No. 1 and Tariff Circular MP No. 2, so far as the provisions of said circulars are applicable, copies of each and every con-

tract now in force or hereafter entered into by such contract carrier containing the minimum charges of such contract carrier for the transportation of passengers or property in interstate or foreign commerce, and any rule, regulation, or practice affecting such changes and the value of the service thereunder; and that the contracts so filed by any contract carrier shall be in lieu of any schedule or schedules theretofore filed by such carrier, and the filing of such contracts shall cancel any such schedule or schedules;

It is further ordered, That in each case in which any such contract is an oral one, the contract carrier who or which is party thereto shall prepare a memorandum containing an accurate and complete statement of the substance and terms of such contract, including the charges for transportation services performed or to be performed thereunder, and any rule, regulation, or practice affecting such charges and the value of such services, and shall cause to be endorsed thereon the written acknowledgement of each party to such contract that such memorandum contains an accurate and complete statement of the terms of such contract, and shall file said memorandum as endorsed with the Commission on or before the date above provided, and shall publish and keep open for public inspection a true, accurate, and complete copy of such memorandum in the form and manner prescribed in Tariff Circular MF No. 1, and Tariff Circular MP No. 2, insofar as such circulars may be applicable;

And it is further ordered, That notice of this order be given to all contract carriers by motor vehicle subject to said Act and to the public by depositing a copy of this order in the office of the Secretary of the Commission at Washington, D. C.

By the Commission, division 5.

[SEAL] GEORGE B. MCGINTY, Secretary.

[F. R. Doc. 1345—Filed, July 20, 1936; 12:00 m.]

[Fourth Section Application No. 16426]

CLASS RATES—OMAHA AND SOUTH OMAHA, NEBR., TO IOWA
JULY 18, 1936.

The Commission is in receipt of the above-entitled and numbered application for relief from the long-and-short-haul provision of section 4 (1) of the Interstate Commerce Act,

Filed by: L. E. Kipp, Agent.

Commodities involved: Class rates.

Between: Omaha and South Omaha, Nebr., on the one hand, and points in Iowa, on the other.

Grounds for relief: Carrier competition, to maintain grouping, and to meet intrastate rates.

Any interested party desiring the Commission to hold a hearing upon such application shall request the Commission in writing so to do within 15 days from the date of this notice; otherwise the Commission may proceed to investigate and determine the matters involved in such application without further or formal hearing.

By the Commission, division 2.

[SEAL] GEORGE B. MCGINTY, Secretary.

[F. R. Doc. 1325—Filed, July 18, 1936; 11:34 a. m.]

[Fourth Section Application No. 16427]

PETROLEUM AND PETROLEUM PRODUCTS FROM WICKLIFFE, O.,
TO POINTS IN THE SOUTH

JULY 18, 1936.

The Commission is in receipt of the above-entitled and numbered application for relief from the long-and-short-haul provision of section 4 (1) of the Interstate Commerce Act,

Filed by: B. T. Jones, Agent, pursuant to Fourth Section Order no. 9800.

Commodities involved: Petroleum and petroleum products, in carloads.

From: Wickliffe, Ohio.

To: Birmingham, Ala., Greenville, S. C., Jacksonville and Oakland City, Fla.

Grounds for relief: Carrier competition.

Any interested party desiring the Commission to hold a hearing upon such application shall request the Commission in writing so to do within 15 days from the date of this notice; otherwise the Commission may proceed to investigate and determine the matters involved in such application without further or formal hearing.

By the Commission, division 2.

[SEAL] GEORGE B. MCGINTY, Secretary.

[F. R. Doc. 1326—Filed, July 18, 1936; 11:34 a. m.]

[Fourth Section Application No. 16428]

COAL FROM ALABAMA, KENTUCKY, AND ILLINOIS

JULY 18, 1936.

The Commission is in receipt of the above-entitled and numbered application for relief from the long-and-short-haul provision of section 4 (1) of the Interstate Commerce Act,

Filed by: J. E. Tilford, Agent.

Commodity involved: Coal, in carloads.

From: Mines in Alabama, western Kentucky and Illinois.

To: Bogalusa, La., and intermediate points.

Grounds for relief: Circuitous routes; to maintain grouping; short or weak line carriers.

Any interested party desiring the Commission to hold a hearing upon such application shall request the Commission in writing so to do within 15 days from the date of this notice; otherwise the Commission may proceed to investigate and determine the matters involved in such application without further or formal hearing.

By the Commission, division 2.

[SEAL] GEORGE B. MCGINTY, Secretary.

[F. R. Doc. 1327—Filed, July 18, 1936; 11:35 a. m.]

[Fourth Section Application No. 16429]

GRAVEL FROM LA GRANGE, MO., TO LA PRAIRIE AND GOLDEN, ILL.

JULY 18, 1936.

The Commission is in receipt of the above-entitled and numbered application for relief from the long-and-short-haul provision of section 4 (1) of the Interstate Commerce Act.

Filed by: R. A. Sperry, Agent.

Commodity involved: Gravel, road surfacing, in carloads.

From: La Grange, Mo.

To: La Prairie and Golden, Ill.

Grounds for relief: Truck competition.

Any interested party desiring the Commission to hold a hearing upon such application shall request the Commission in writing so to do within 15 days from the date of this notice; otherwise the Commission may proceed to investigate and determine the matters involved in such application without further or formal hearing.

By the Commission, division 2.

[SEAL] GEORGE B. MCGINTY, Secretary.

[F. R. Doc. 1322—Filed, July 18, 1936; 11:35 a. m.]

SECURITIES AND EXCHANGE COMMISSION.

HOLDING COMPANY ACT

AMENDMENT TO RULE 9A2-2

The Securities and Exchange Commission hereby amends paragraph (c) of Rule 9A2-2, by striking out "2 (a) (4) and 2 (a) (5)" after the word "Sections", and inserting in lieu thereof "3 (a) (4) and 3 (a) (5)."

By the Commission.

[SEAL] FRANCIS P. BRASSOR, Secretary.

[F. R. Doc. 1350—Filed, July 20, 1936; 12:52 p. m.]

United States of America—Before the Securities and Exchange Commission

At a regular session of the Securities and Exchange Commission held at its office in the City of Washington, D. C., on the 20th day of July A. D. 1936.

[File No. 37-14]

IN THE MATTER OF NEPSCO APPLIANCE FINANCE CORPORATION
NOTICE OF OPPORTUNITY FOR HEARING AND ORDER DESIGNATING TRIAL EXAMINER

An application having been duly filed with this Commission by Nepsco Appliance Finance Corporation pursuant to Section 13 (b) of the Public Utility Holding Company Act of 1935, and Rule 13-22 thereunder, with respect to the organization and conduct of its business as a mutual service company or a subsidiary service company of the holding company system of New England Public Service Company, a registered holding company.

It is ordered, that the matter be set down for hearing on July 28, 1936, at 10:00 o'clock in the forenoon of that day, at Room 218, Securities and Exchange Building, 1778 Pennsylvania Avenue NW., Washington, D. C.; and

It is further ordered, that Paul Waters, an officer of the Commission, be and he hereby is designated to preside at such hearing, and authorized to adjourn said hearing from time to time, to administer oaths and affirmations, subpoena witnesses, compel their attendance, take evidence, and require the production of any books, papers, correspondence, memoranda, or other records deemed relevant or material to the inquiry, and to perform all other duties in connection therewith authorized by law; and

It is further ordered, that any interested state, commission, state securities commission, municipality or other political subdivision of a state, or any representative of interested consumers or security holders, or any other person desiring to be admitted as a party in this proceeding or to offer evidence in this matter, shall give notice of such intention to the Commission, such notice to be received by the Commission not later than July 25, 1936.

Upon the completion of the taking of testimony in this matter, the officer conducting said hearing is directed to close the hearing and make his report to the Commission.

By the Commission,
[SEAL] ORVAL L. DuBOIS, Acting Secretary.

[F. R. Doc. 1346—Filed, July 20, 1936; 12:50 p. m.]

United States of America—Before the Securities and Exchange Commission

At a regular session of the Securities and Exchange Commission held at its office in the City of Washington, D. C., on the 17th day of July A. D. 1936.

IN THE MATTER OF GENERAL INDUSTRIES CORPORATION, LTD.,
OFFERING SHEET OF ROYALTY INTERESTS IN SKELLY-JOHNSON FARM

SUSPENSION ORDER, ORDER FOR HEARING (UNDER RULE 340 (A))
AND ORDER DESIGNATING A TRIAL EXAMINER

The Securities and Exchange Commission, having reasonable grounds to believe, and therefore alleging, that the offering sheet filed by General Industries Corporation, Ltd., on the 13th day of July 1936, covering certain royalty interests in the property described therein as the Skelly-Johnson Farm, is incomplete or inaccurate in the following material respects, to wit:

1. In that it does not appear that payments to the royalty owners are not being currently made.
2. In that under Item 13 of Division II it is stated that "Both the Dolomite and Granite Wash are very prolific. Naturally recovery depends upon the thickness of the producing horizon."
3. In that in the estimation of the total oil content of the tract given under Item 3, of Division III one of the factors

used in the equation is the average thickness of the Granite Wash, and not the average thickness of the actual "pay" part thereof.

It is ordered, pursuant to Rule 340 (a) of the Commission's General Rules and Regulations under the Securities Act of 1933, as amended, that the effectiveness of the filing of said offering sheet be, and the same hereby is, suspended until the 15th day of August 1936; that an opportunity for hearing be given to the said General Industries Corporation, Ltd., for the purpose of determining the material completeness or accuracy of the said offering sheet in the respects in which it is herein alleged to be incomplete or inaccurate, and whether the said order of suspension should be revoked or continued; and

It is further ordered, that Charles S. Moore, an officer of the Commission be, and he hereby is, designated as Trial Examiner to preside at such hearing, to adjourn the said hearing from time to time, to administer oaths and affirmations, subpoena witnesses, compel their attendance, take evidence, consider any amendments to such offering sheet as may be filed prior to the conclusion of the hearing, and require the production of any books, papers, correspondence, memoranda, or other records deemed relevant or material to the inquiry, and to perform all other duties in connection therewith authorized by law; and

It is further ordered, that the taking of testimony in this proceeding begin on the 30th day of July 1936, at 2:00 o'clock in the afternoon of that day at the office of the Securities and Exchange Commission, 18th Street and Pennsylvania Avenue, Washington, D. C., and continue thereafter at such times and places as said officer may designate.

Upon completion of testimony in this matter the officer is directed to close the hearing and make his report to the Commission.

By the Commission:

[SEAL]

FRANCIS P. BRASSOR, Secretary.

[F. R. Doc. 1347—Filed, July 20, 1936; 12:51 p. m.]

United States of America—Before the Securities and Exchange Commission

At a regular session of the Securities and Exchange Commission held at its office in the City of Washington, D. C., on the 17th day of July A. D. 1936.

IN THE MATTER OF G. D. TERRIEN, OFFERING SHEETS OF
ROYALTY INTERESTS IN CARTER-ALDRIDGE FARM

SUSPENSION ORDER, ORDER FOR HEARING (UNDER RULE 340 (A))
AND ORDER DESIGNATING A TRIAL EXAMINER

The Securities and Exchange Commission, having reasonable grounds to believe, and therefore alleging, that the offering sheet filed by G. D. Terrien on the 10th day of July 1936, covering certain royalty interests in the property described therein as the Carter-Aldridge Farm is incomplete or inaccurate in the following material respects, to wit:

1. In respect of the information given under Item 17 (e) and Item 17 (f) of Division II.
2. In that under Item 13 of Division II it is stated that there are approximately seventy-one producing wells in the field in question.

It is ordered, pursuant to Rule 340 (a) of the Commission's General Rules and Regulations under the Securities Act of 1933, as amended, that the effectiveness of the filing of said offering sheet be, and the same hereby is, suspended until the 15th day of August 1936; that an opportunity for hearing be given to the said G. D. Terrien for the purpose of determining the material completeness or accuracy of the said offering sheet in the respects in which it is herein alleged to be incomplete or inaccurate, and whether the said order of suspension should be revoked or continued; and

It is further ordered, that Charles S. Moore, an officer of the Commission be, and he hereby is, designated as Trial Examiner to preside at such hearing, to adjourn the said

hearing from time to time, to administer oaths and affirmations, subpoena witnesses, compel their attendance, take evidence, consider any amendments to such offering sheet as may be filed prior to the conclusion of the hearing, and require the production of any books, papers, correspondence, memoranda, or other records deemed relevant or material to the inquiry, and to perform all other duties in connection therewith authorized by law; and

It is further ordered, that the taking of testimony in this proceeding begin on the 30th day of July 1936, at 10:00 o'clock in the forenoon of that day at the office of the Securities and Exchange Commission, 18th Street and Pennsylvania Avenue, Washington, D. C., and continue thereafter at such times and places as said officer may designate.

Upon the completion of testimony in this matter the officer is directed to close the hearing and make his report to the Commission.

By the Commission.

[SEAL]

FRANCIS P. BRASSOR, *Secretary*.

[F. R. Doc. 1351—Filed, July 20, 1936; 12:53 p. m.]

United States of America—Before the Securities and Exchange Commission

At a regular session of the Securities and Exchange Commission held at its office in the City of Washington, D. C., on the 18th day of July A. D. 1936.

IN THE MATTER OF W. R. BROWN & CO., INC., OFFERING SHEETS OF ROYALTY INTERESTS IN SHELL-WEBER FARM

SUSPENSION ORDER, ORDER FOR HEARING (UNDER RULE 340 (A)) AND ORDER DESIGNATING A TRIAL EXAMINER

The Securities and Exchange Commission, having reasonable grounds to believe, and therefore alleging, that the offering sheet filed by W. R. Brown & Co., Inc., on the 11th day of July 1936, covering certain royalty interests in the property described therein as the Shell-Weber Farm is incomplete or inaccurate in the following material respects, to wit:

1. In that under Item 3 of Division III it is not stated how the factors of porosity and saturation were determined.

2. In that under Item 3 of Division III consideration of the volumetric shrinkage due to liberation of gas in solution and to reduction of pressure and temperature from reservoir to atmospheric is omitted.

It is ordered, pursuant to Rule 340 (a) of the Commission's General Rules and Regulations under the Securities Act of 1933, as amended, that the effectiveness of the filing of said offering sheet be, and the same hereby is, suspended until the 16th day of August 1936; that an opportunity for hearing be given to the said W. R. Brown & Co., Inc., for the purpose of determining the material completeness or accuracy of the said offering sheet in the respects in which it is herein alleged to be incomplete or inaccurate, and whether the said order of suspension should be revoked or continued; and

It is further ordered that Charles S. Lobingier, an officer of the Commission, be, and he hereby is, designated as Trial Examiner to preside at such hearing, to adjourn the said hearing from time to time, to administer oaths and affirmations, subpoena witnesses, compel their attendance, take evidence, consider any amendments to such offering sheet as may be filed prior to the conclusion of the hearing, and require the production of any books, papers, correspondence, memoranda, or other records deemed relevant or material to the inquiry, and to perform all other duties in connection therewith authorized by law; and

It is further ordered that the taking of testimony in this proceeding begin on the 30th day of July 1936 at 3:00 o'clock in the afternoon of that day at the office of the Securities and Exchange Commission, 18th Street and Pennsylvania Avenue, Washington, D. C., and continue thereafter at such times and places as said officer may designate. Upon the completion of testimony in this matter the

officer is directed to close the hearing and make his report to the Commission.

By the Commission.

[SEAL]

FRANCIS P. BRASSOR, *Secretary*.

[F. R. Doc. 1349—Filed, July 20, 1936; 12:52 p. m.]

Wednesday, July 22, 1936

No. 93

PRESIDENT OF THE UNITED STATES.

EXECUTIVE ORDER

PARTIAL REVOCATION OF CERTAIN EXECUTIVE ORDERS WITHDRAWING PUBLIC LANDS FOR USE AS AIR NAVIGATION SITES

By virtue of and pursuant to the authority vested in me by the act of June 25, 1910, ch. 421, 36 Stat. 847, as amended by the act of August 24, 1912, ch. 369, 37 Stat. 497, Executive Orders No. 4652 of May 18, 1927, and Nos. 4872 and 4873 of May 3, 1928, withdrawing certain public lands in Nevada and Utah for use by the Department of Commerce as air-navigation sites, are hereby revoked insofar as they affect the following-described lands, which are no longer required for such purpose:

NEVADA

Mt. Diablo Meridian

- T. 33 N., R. 52 E., that portion of the SE $\frac{1}{4}$ SE $\frac{1}{4}$ sec. 24 north of the Victory Highway; sec. 32, SE $\frac{1}{4}$;
- T. 33 N., R. 53 E., sec. 10, SE $\frac{1}{4}$; sec. 10, SW $\frac{1}{4}$;
- T. 33 N., R. 54 E., sec. 6, NE $\frac{1}{4}$;
- T. 34 N., R. 54 E., sec. 20, NE $\frac{1}{4}$;
- T. 25 S., R. 59 E., sec. 11, S $\frac{1}{2}$ SE $\frac{1}{4}$; sec. 14, NE $\frac{1}{4}$, E $\frac{1}{2}$ NW $\frac{1}{4}$, SW $\frac{1}{4}$ NW $\frac{1}{4}$, SW $\frac{1}{4}$, N $\frac{1}{2}$ SE $\frac{1}{4}$ and SW $\frac{1}{4}$ SE $\frac{1}{4}$;
- T. 23 S., R. 61 E., sec. 17, NE $\frac{1}{4}$ NW $\frac{1}{4}$; aggregating approximately 1,516.86 acres in Nevada.

UTAH

Salt Lake Meridian

- T. 1 N., R. 9 W., sec. 35, W $\frac{1}{2}$, excepting a strip 275 feet wide along its north boundary, approximately 320 acres.

FRANKLIN D. ROOSEVELT

THE WHITE HOUSE,

July 17, 1936.

[No. 7415]

[F. R. Doc. 1350—Filed, July 21, 1936; 10:37 a. m.]

EXECUTIVE ORDER

REVOCATION IN PART OF EXECUTIVE ORDER NO. 7047 OF MAY 20, 1935, AND MODIFICATION OF EXECUTIVE ORDER NO. 6957 OF FEBRUARY 4, 1935, RELATING TO PUBLIC LANDS

Alaska

By virtue of and pursuant to the authority vested in me by the act of June 25, 1910, ch. 421, 36 Stat. 847, as amended by the act of August 24, 1912, ch. 369, 37 Stat. 497, Executive Order No. 7047 of May 20, 1935, permitting settlement upon certain lands in Alaska affected by Executive Order No. 6957 of February 4, 1935, is hereby revoked, except as to the following-described tracts, and said order No. 6957 is hereby modified to the extent necessary to permit entry of said tracts under the homestead laws as extended to Alaska:

SEWARD MERIDIAN

- T. 17 N., R. 2 E., sec. 9, E $\frac{1}{2}$ NE $\frac{1}{4}$, N $\frac{1}{2}$ SE $\frac{1}{4}$; sec. 14, N $\frac{1}{2}$ NE $\frac{1}{4}$; sec. 15, lots 3 and 4; sec. 19, N $\frac{1}{2}$ NE $\frac{1}{4}$;